

# CARLSBAD AVENUES

## Let's talk about HOUSING

**A**s children, many of us played the game Monopoly in our homes. Life seemed simple; to most youngsters, having a roof over their heads and a warm, safe place to sleep is, fortunately, a given. Home was where we lived. We gave little thought to how it was obtained or paid for.

When we grew into adulthood, we realized that having a decent place to live is not as easy as buying little green houses with paper money and placing them on Park Place and Broadway, or even on Mediterranean and Baltic Avenues. That is where the City of Carlsbad's Housing Element comes in: It helps open the door to a balance of housing for sale and rent within the community.

**Diverse housing opportunities are among the various components the City strives to optimize in order to sustain a well-balanced community. To keep abreast of changes in growth and population, the Housing Element is, by state law, updated every five years. Currently, the City is in the 1999-2004 housing cycle, which was adopted by the City Council in July 2000. The information in this AVENUE is based upon housing production during fiscal year 2001; i.e., July 1, 2000-June 30, 2001.**

### The framework of fair-share housing

The Housing Element is the only element of the Carlsbad General Plan that requires review and approval by a state agency; namely the Department of Housing and Community Development. It is also subject to a periodically updated regional share housing needs assessment performed by the San Diego Association of Governments (SANDAG). The countywide goal is to ensure that each municipal jurisdiction provides its fair share of housing in accordance with current and future growth projections.

The Carlsbad City Council is committed to providing a diversity of housing available to people at all levels of income, so that people who work in our community can afford to live in our community. The City must work within the provided framework to achieve a balance of housing for all income segments of the population. Some aspects — such as the development-driven marketplace and environmental regulations — are beyond the City's control. Others — such as the use of zoning to assure a mix of housing from single-family detached and attached to assisted for-sale and rental units — are within the City's control.

Here is a brief overview of the process of providing housing that is affordable to a spectrum of income levels.

### Step 1: Defining income groups

SANDAG defines income groups by annual household incomes.

Extremely Low	< 30% of median
Very Low	30-50% of median
Low	51-80% of median
Moderate	81-120% of median
Above Moderate (Other)	>120% of median

### Step 2: Determining AMI categories

Income definitions are a starting point for determining housing needs and objectives. Median income figures are annually determined by the U.S. Department of Housing & Urban Development (HUD). Factored into San Diego County's current Area Median Income (AMI) of \$60,100 is the number of people residing in each household.

### FY 2002 Qualifying Limits on Annual Income

Income group to which units are affordable	People per household			
	2	4	6	8
Extremely Low (30%)	\$14,400	\$18,050	\$20,900	\$23,800
Very Low (50%)	\$24,050	\$30,050	\$34,850	\$39,650
Low (80%)	\$38,450	\$48,100	\$55,760	\$63,450
Moderate (120%)	\$57,700	\$72,100	\$83,650	\$95,200
Other (over 120%)	>\$57,700	>\$72,100	>\$83,650	>\$95,200

### Step 3: Calculating housing affordability

Once income level and household size are categorized, federal and state laws — which, again, must be followed by each local jurisdiction — state that, in general, housing is considered affordable to a given family if that family, whether owning or renting, pays less than 30% of its gross monthly income for housing expenses. For household renters, that figure includes rent and utilities. For household owners, that figure includes mortgage payment, property taxes, insurance and the like. For example, a person with a monthly gross income of \$3,000 is assumed to be capable of paying 30% of that \$3,000 — \$900 — per month toward housing.

### Step 4: Performing needs assessment

Based on SANDAG's regional growth projections, in 1998 San Diego County's Councils of Government (COG) prepared an assessment of need for area cities. Here are Carlsbad's estimates for the 1999-2004 housing cycle and the number of units constructed during fiscal 2001. To date, the City has surpassed its obligation toward upper-income housing and is making significant strides toward more lower-income housing.

Income group	Needed units of new construction, 1999-2004	Number of units produced in FY 2001
Very Low	1,770	138
Low	1,417	158
Moderate	1,436	94
Other	1,591	1,700

## Overall ...

- With over 2,000 total homes constructed, FY 2001 marked Carlsbad's third highest fiscal year of construction ever.
- Condominium production and very low/low-income production totaled more than the output of the past four fiscal years combined.
- The City has successfully focused its efforts on the important task of producing quality affordable housing for lower-income individuals, young families and seniors.
- 81% of the homes were affordable only to upper-income ("other") households.

## In the middle ...

- The least successful of all categories was moderate-income household homes. In part, this is because all moderate-income housing was market-rate construction, whereas most very low/low-income housing was built with City assistance and a requirement for developers to do so.
- Due to the increasingly high cost of land, the demand for higher-income housing and other reasons, the industry has not built the anticipated moderate-income housing.

# Inclusionary Housing finds a welcome home in Carlsbad



**Tyler Court Senior Complex**

As of December 2001, the median price of a detached, single-family home in North County was \$412,000. With home prices continuing to soar, the Inclusionary Housing Ordinance enthusiastically adopted by the City Council in 1993 and updated in 2000 has set a respected regional standard as a means of counter-balancing the rising cost of owning or renting a home.

The Ordinance states that not less than 15% of all

residential units in any master plan, specific plan or residential subdivision must be set aside for occupancy by and be affordable to lower-income housing. In less than a decade after the Ordinance was put into action, approximately 800 apartment units have been rented and over 135 for-sale townhouses have been purchased. Another 800 are pending construction.

with a steady income who may be low on cash but high on motivation to own and care for their own home.

- Some housing program recipients enjoy a voice in government by participating as members of the Carlsbad Housing Commission.

## A balancing act

Single family homes. Duplexes. Second dwelling units. Condominiums. Apartments. City-assisted living quarters. Market rate units built with no financial assistance or affordability restrictions. For what appears at first glance to be a "simple" issue – basic shelter – housing in the 21st century is incredibly complex.

In Carlsbad, the rainbow of housing opportunities is based on a delicate balance of 1) allowing people who build homes to build the kind of homes they believe people will want to buy and live in, and 2) ensuring that homes are built for all levels of income in concert with what the community needs and wants.

Add to the mix federal and state regulations and restrictions, as well as considerations such as transit-oriented, "smart growth" communities, the assurance of open space within subdivisions and throughout the city, and other things that affect quality of life, and one can see that these many elements must continually be weighed and blended appropriately to maintain a balance that succeeds.

## Affordable units are located throughout Carlsbad

The program is designed to provide affordable units in all four quadrants of the city. Current home ownership opportunities are at The Cliffs at Calavera, Serrano and Cherry Tree Walk. Apartment complexes are at Villa Loma (the first complex of its kind in Carlsbad), Rancho Carrillo, Laurel Tree, Vista Las Flores, transit-oriented Poinsettia Station and at the senior complex of Tyler Court.



**In June 2001, the City of Carlsbad received a San Diego Housing Federation award for Outstanding Local Government supporter of Affordable Housing.**

## Housing programs assist lower income residents

In addition to the Inclusionary Housing Ordinance, Carlsbad offers programs benefiting hundreds of residents.

- A federally-funded Section 8 Rental Assistance Program helps very low-income households pay rent anywhere in Carlsbad as long as rent is reasonable and the unit passes a housing quality inspection.
- A Lease-Purchase Program, sponsored by an agency formed by San Diego County and many area cities, including Carlsbad, helps people

## Further Information and Involvement

**If you would like further information on housing and related topics, we invite you to:**

- Contact the Housing & Redevelopment (H&R) Department at 434-2810 or the Planning Department at 602-4600.
- Pick up a copy of the "Housing Programs ... Bringing the American dream close to home" brochure from H&R at 2965 Roosevelt Street.
- Review a copy of the Housing Element of the General Plan and/or the Annual Housing Production Report (call Associate Planner Scott Donnell at 602-4618) at the Faraday Center.
- Check out the City's website at [www.ci.carlsbad.ca.us](http://www.ci.carlsbad.ca.us).

**If you would like to observe and/or participate in the planning process, we invite you to:**

- Attend a Housing Commission meeting, generally held on the second Thursday of each month at 6 pm in the Council Chambers.
- Attend a Planning Commission meeting, generally held on the first and third Wednesdays of each month at 6 pm in the Council Chambers.
- Learn about applying for membership on these or other volunteer advisory boards and commissions by calling the City Clerk at 434-2808.
- Attend a regularly scheduled City Council meeting, generally held on Tuesdays at 6 pm in the Council Chambers.
- Call 434-2820 to confirm above dates and times and to get more information on how you can help direct the avenues of your city's policies and programs.

